

**Introduced by Committee on Banking, Commerce and  
International Trade (Senators Florez (Chair), Ducheny,  
Karnette, Murray, and Perata)**

March 26, 2004

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An act to add Article 1.5 (commencing with Section 865) to Chapter 7 of Division 1 of the Financial Code, relating to financial institutions.

LEGISLATIVE COUNSEL'S DIGEST

SB 1917, as introduced, Committee on Banking, Commerce and International Trade. Banks: paycheck cashing charges.

Existing law provides for the regulation of banks by the Commissioner of Financial Institutions. Existing law imposes various requirements on banks with regard to deposits, checks, and investments.

This bill would prohibit a bank from assessing a charge or fee to cash a paycheck for a person who does not have an account at the bank if the paycheck was issued by the bank for a business client of the bank that provides the paychecks to its employees.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 1.5 (commencing with Section 855) is  
2 added to Chapter 7 of Division 1 of the Financial Code, to read:  
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Article 1.5. Paycheck Charges

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855. A bank may not assess any charge or fee to cash a  
paycheck for a person who does not have an account at the bank  
if the paycheck was issued by the bank for a business client of the  
bank that provides the paychecks to the employees of the business  
client.

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